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LABOR AND COLLECTIVISM

by Edna Lonigan

The fight over the Taft-Hartley Act has left a bitterness which, unless exorcised, will rise to plague us later. A campaign of brilliant and reckless misrepresentation has persuaded many workers that their fellow-citizens have deserted them. Ambitious demagogues are taking advantage of everything that will widen the cleavage.

It is not enough to have made this bill into law over the President's veto. For those who care about American unity, it is important to find the common ground on which all reasonable people can unite to give this law their full support.

For years workers have been led to believe that the Wagner Act was a Charter of Liberties. Powerful government and party propaganda has said that it was good. But good for whom? What exactly were the effects of the Wagner Act, and how have they helped labor?

The Wagner Act, as the New Deal administered it, in effect transformed American labor unions from simple associations of the traditional type to a form resembling the more complex structure of Continental unionism.

In origin, American unions, like nearly all American joint activities, were "free associations." Free associations are joint activities which are private and voluntary, with no fixed "status" or place. They get no help or hindrance from the State but are wholly dependent on their participants for their strength.

Free associations represent the power of citizens, not governments, and obey the will of citizens, not that of officials.

Under the New Deal free American unions became rigid associations, held tightly together in a hierarchical cartel, in which the membership was powerless, and in which power was exercised by the few.

If we read the Taft-Hartley Act with care we see that, despite a few weak spots, its purpose is to help American labor unions regain their rights as free associations responsive only to their members.

This is not an issue in which the interests of labor are on one side, and those of the general public on the other. It is an issue in

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which union members will decide -- for all of us -- whether we take the road to freedom, or the gradual descent to collectivism.

II

The Wagner Act began as a promise. It promised to workers the same civil rights -- of free speech and free association -- in dealing with their employers that they enjoyed in dealing with government.

That promise was broken. It was lost when an executive agency was set up to supervise civil rights. Civil rights are superior to the executive power. No government bureau supervises freedom of speech or of religion. The protection of the courts is enough. By setting up the National Labor Relations Board, proponents of the bill abandoned the American idea that civil rights inhere in the individual, and are inalienable, for the European idea that rights are State-bestowed.

The right to vote for union representatives is comparable with the right to vote for representatives in Congress, but in the climate of the 1930's the Administration was called in to supervise. A federal bureau made the rules for union elections. It decided the "bargaining unit," which is the voting constituency. We would not let a President rewrite election laws, nor gerrymander Congressional districts, but in effect we gave him just that power over labor elections.

The union approved by the NLRB was the sole bargaining agent for all members -- but it could not ever be unseated by the members. The defeated side lost all minority rights. It lost all funds, all means of expression, all power to call meetings. Its adherents could not even talk to their employers. The case was one of winner take all.

By ruling in favor of industrial unions, and union-wide bargaining, the NLRB greatly increased the size of the disfranchised "minority." By ruling that workers could be represented by the union hierarchy at headquarters, instead of by their local union or national union, the Administration concentrated the power over unions at a few key points. So the unions came to be controlled by political, not labor, leaders.

Labor has been bitterly criticized for its excessive power. Its spokesmen insist that it has not received any such power. They are right. It is not union power that waxed so strong.

The Administration early began to put its key men in the powerful but invisible second-line positions, especially in the CIO. Old line union leaders stayed on in front positions but they were dependent on favors they received from the White House. Political favors, however, must always be repaid. The city vote was the pay-off.

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John L. Lewis challenged Administration dominance in 1940, but after the election the permanent secretariat of the CIO removed him from office. Individuals were helpless. Those who protested against political use of union funds were soon out of a job.

This is not collective bargaining but collectivism, for which labor did not bargain. All that saved the workers of the United States from total absorption in one centrally-controlled mass organization, was the split between the cartelized CIO and the still decentralized AF of L.

III

The Taft-Hartley Act dismantles this monolithic pyramid, and requires unions to operate again as free associations.

The right to work is restored as an individual right, which no organization can take away. Workers regain the right not to join a union. It is as contrary to free association to compel a man to join the CIO as it would be to compel him to join the Mormon Church.

Unions can no longer control non-union men through the closed shop. When unions were tiny oases in a vast area of non-union firms, the closed shop was a natural defense. The right of the dissenter to work was then protected by the unorganized firms. When unions cover a whole industry or locality, the closed shop means that the worker is subordinated to a collective power.

Closed shops have permitted union officials to punish a member for dissent by depriving him of his job. That is as severe a punishment as the courts impose on some convicted criminals. The forcible collection of dues from all workers is also now ended.

Without the power to compel outsiders to join, to tax all workers, or to punish dissent in the union, labor officials again become answerable to unionists. Unscrupulous leaders can no longer build a union hierarchy and turn it into political power. Nor can officials now launch class warfare strikes to which their membership is opposed.

Officials are also compelled to report what they do with joint funds. It would have been better if the new law had required financial reports to union members only, for the insistence upon reports to government is a survival of the Wagner Act philosophy. It is none of government's business what unions do with their money, within the law.

Shorn of its absolute powers, no union hierarchy can so readily dominate local and national unions. Communist opposition to the new act is naturally intense, because the Communists are the chief losers. Lacking the powers given them by the Wagner Act, the demonstrated Communist ability to exploit American unions has been sharply reduced.

Even in the clause requiring union officials to sign a statement

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that they are not Communists, the Taft-Hartley Act keeps strictly to the principle of free association. Our objection to the Communists is not because of their opinions. It is because they use force and fraud to promote their opinions. No union is penalized by this requirement for a sworn statement. But it does facilitate the penalty of perjury for Communist leaders who pretend not to be Communist.

IV

For Congress to have untangled much of the spider web of government control over unions and to have restored the lost freedom of the worker, is a great achievement in constructive political action. But the Taft-Hartley Act does not settle the underlying question. American unions must still choose whether they wish to be free associations or wards of the State. It must be realized that whenever unions are dependent on government, police powers will be used by government to prohibit strikes, secure injunctions, and impose compulsory labor.

Labor under the New Deal made as little lasting gain as the German workers under the Weimar Republic. The vitality was then sucked out of German unions by government benefits. Union leaders had nothing to give the workers. The unions lost inner strength. It was not Hitler but Weimer that turned German labor into a pillar of stone. When Hitler came in, he had only, as Stolper said, to throw a switch.

The crisis of our time turns on whether individuals can remain free of State power, keeping their own voluntary, citizen-managed associations, or whether these tools of freedom can be captured by the State, leaving the individual powerless. Obviously free associations do not function perfectly. But our real hope is to strengthen free organizations, and increase the power of the participants in each.

The ascent to freedom was hard but the descent is easy. Once free associations in labor, in industry, in medicine, in education, are bound to government, resistance to the executive power quickly becomes hopeless, and the road is open to totalitarianism.

The storm center of this millenial crisis is in the labor unions. Workers gained the most from the shift to free association, and they will lose most from a shift to State control. But they are still tempted by the siren song of the Welfare State.

If American workers want freedom they will not let their unions be recaptured by the State. And if they win the fight for freedom for themselves they may well have won the decisive battle for the rest of us.

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Not Merely Gossip *A Supplement to* Human Events VOL. IV, NO. 27

By Frank C. Hanighen July 2, 1947

The Marshall proposal for American rehabilitation of Western Europe must and shall prevail -- such is the rather positive opinion of financial circles in Washington. The domestic, as well as the foreign situation, calls urgently for the Marshall plan some form of which, it is confidently predicted, will go into operation despite all obstacles.

At this point it should be explained that a financial community has made its appearance in the nation's capital, comprising the American business and financial figures who have come, some very recently, to serve in the World Bank and Fund, the Export-Import institution and other agencies pertaining to foreign aid and credit. This new Washington phenomenon, indeed, is a sign of the times, an augury of the future. It certainly offers quite a contrast to the year 1933 when Roosevelt self-righteously banished the "money changers" from the temple. It is ironic, too, that these men are called back to build again on the ruins of Europe, the end product of the Rooseveltian policy.

The talk in this community, however, dwells much less on the past or on the long-range future, than on the very near future -- the focus of too many financiers as well as politicians. A close watch is kept on the tides of domestic business and it is interesting that foreign lending is regarded as an essential from the domestic standpoint. Fears are expressed that any considerable let down in our large export business will so adversely affect the national economy that the much-discussed recession might well ensue in sharp form. Sober reference is made in this connection to the $10 billion of domestic bank loans now outstanding. Quite evidently foreign lending is envisaged as an assurance that our present high level of business activity will be maintained -- at least in the near future.

It is considered a dead certainty that the Marshall proposal will be adopted. Congress, that refractory body, will come round when presented with a fait accompli -- the acceptance of the Marshall offer at least by the western European countries. In any case, Congress is expected to respond to an anticipated change in the attitudes of its constituents, farmers and factory workers; the latter will realize that the present plentitude of dollar earnings depends on export of their products, which in turn depends on exports of dollars. Finally, the predominant note is irresistably constructive -- rehabilitation, rather than relief.

The above attitude is in part reflected, with some rather startling frankness, in a little noticed speech delivered at Rutgers on June 28, by Dr. Harold Stonier, Executive Manager of the American Bankers Association, who said: "In the future, our loans should be made to build production lines, not merely to replenish bread lines. In a peaceful world, the American flag will be no stronger than the American dollar. Dollar diplomacy was once a term of political derision, but for the future it may be our only hope . . . let us remind ourselves that other nations respect us for our strength, not for our theories."

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The interrelation of American diplomacy and finance is seen in the following events. Ten days ago, John J. McCloy proposed that the World Bank, of which he is President, should finance Ruhr coal production. McCloy asked our Ambassador to Britain, Lewis W. Douglas, to visit the Ruhr and investigate. It is interesting to note that it was the President of the World Bank, not the State Department itself, who sent the State Department's London envoy on this mission. Presumably Douglas is reporting to the State Department as well as to the World Bank. The question of a conflict between State and the Bank in this matter is not raised,

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because it is assumed that the two are working together. The incident underlines the increasing activities and widening scope of the Bank at a time when the Marshall proposal is under consideration.

Observers produce additional background material to fill in this picture of the marriage of finance and diplomacy. Douglas is a brother-in-law of McCloy. It may be recalled that Douglas' name was the first mentioned as a prospective head for the World Bank. He declined and suggested that McCloy should take the job.

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The French Government's announcement of the discovery of a "Rightist plot" to overthrow the Republic inspires little concern in official circles in Washington. It has long been known that there are at least six, perhaps eight, large anti-Communist organizations -- some of a Rightist complexion -- with military formations, arms and full plans for combatting a Communist coup, if such should occur. Likewise, the Communists have their own armed forces. However, the present situation in France (and the European picture of which it is an important part) is not believed to be auspicious for any armed risings, from either Right or Left.

A conservative Paris newspaper on July 1 offered the following shrewd explanation for the publicity given the affair: "It is not the first time that a plot has been revealed by a government which feels its position is menaced on another plane." Indeed, on the political plane, the Ramadier government has been struggling with a veritable sea of troubles: strikes, cost of living, finance, production, etc. In Parliament, the Radical Socialists are moving restlessly in the coalition government of which they are a part. They are extremely critical of the costly results of the nationalization of industries. Meanwhile, the Communists remain outside the coalition. Their commanding influence in the labor unions is not of a kind to ease Ramadier's difficulties. Certainly, the government's position is far from secure. Such being the case, a sensational story "on another plane" would prove a diversion, however temporary.

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The straw poll among delegates to the Wisconsin Republican convention is viewed as a strong blow to Governor Dewey's national chances. Dewey received first place in the poll, but was closely pressed by Stassen. The fact that the margin was narrow apparently confirms a feeling among politicos that Dewey's present popularity among hopefuls for the Presidential nomination has a very thin surface.

Dewey adherents refuse to admit this. They make much of the fact that Mr. Thomas Coleman, head of the Republican state machine, supports Stassen. But observers answer this by saying that the Wisconsin machine is a very weak affair; in the last election it failed to nominate its candidates for Governor and for other state offices. Dewey, on the other hand, has had a very active organization in the state since 1940. In that year he won the entire Wisconsin delegation to the National Convention; and in 1944, when he made no campaign in the state, he won 17 of the 24 delegates. It is further recalled that Dewey trounced Willkie in the key Wisconsin primary in the latter year -- a victory attributed to the strength of his organization. All in all, the past picture of Dewey performance in Wisconsin stands in contrast to the symptoms of weakness at the state convention last week when his managers urged followers not to vote in the straw poll.

Whether or not Stassen's following is solid remains to be seen. But a challenge to the man in Albany has been defnitely thrown down. Dewey, it is believed, will have to stage a real fight to obtain the Wisconsin delegation to the National Convention next year.

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The mills of Congress grind slowly, without the colorful, well publicized decisiveness of the Executive, but in many respects they grind exceeding small.

Week before last, the Senate Appropriations Committee gave Secretary of State Marshall, who appeared before it, a difficult but highly educational half-hour. The Secretary went up to the Hill to seek an increase in funds for the highly controversial "Voice of America." With most of the press thundering against Congressional delay in this matter, Marshall doubtless expected success. The Committee, however, met him with questions as to why so many subversives and fellow travellers remained in the State Department in general, and in the "Voice" section in particular. The Secretary expressed ignorance of such a situation. Then, the Committee unkindly declined to give him the increase requested.

But Marshall apparently took the hint. A week later, on June 27, the State Department announced that it had dismissed 10 employees in rather high positions, as "bad security risks." As reported in the press, the presumption was that the employees were fellow travellers. Three were reportedly in the Division of Cultural Affairs and International Information, of which the "Voice" is a part. It was understood that "Secretary Marshall examined the records in the present cases before approving the dismissal orders."

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An editorial "A Frontier for Peace," in the London Tribune on May 2 assumes no little importance, in view of the fact that the paper is a Left Wing (but non-Communist) organ with important links to the British Labour Government. The statement in the editorial that "the present Polish-German frontier should be rectified" is the keynote. In no other way, the Tribune argues, can the appalling European food situation -- and all the other economic problems -- be ameliorated. The occasion for the editorial is the news that another 400,000 Germans have been ordered deported by the Polish Government. The Tribune recognizes the Polish hatred for the Germans and says: "The gospel of racial and national 'purity' may be a shocking anachronism in the 20th century. It is as barbarous when preached in the name of the Slav brotherhod as it was when Hitler expounded it in the name of Germanic superiority. But however we may condemn and deplore it, nothing is gained by behaving as though it did not exist."

Large stretches of former German territory now under the Polish Government have "remained dead land, barren and desolate. Many villages are half empty; in many parts, the earth lies fallow" in what was once one of the richest agricultural sections of Europe. The Poles have simply been unable to settle and to till this land. ". . . nearly all Europe is hungry and in dire want. What greater folly could there be than artifically to aggravate that want by frontier changes and mass deportations, resulting in fearful overcrowding and starvation in Germany and empty villages and untilled soil in Poland?"

The Poles, in the opinion of the Tribune, can be approached for a solution of the problem "on a European basis." Poland "may be made to understand the necessity if it is made clear that revision is not claimed in the name of German national rights against Polish national rights, but for the sake of Europe's chance to prosperity, from which Germany cannot be permanently excluded. Poland may be made to accept such a revision if it were accompanied by an American offer of generous aid for the repair, re-equipment and recovery of the whole war-damaged East, on both sides of the future frontier -- not as a special favour to one nation rather than another -- but as a European task for the sake of all Europe."

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Notes and Quotes

William Henry Chamberlin in the Wall Street Journal (June 30) describes the bitter fruits of victory: "In what seem to be the far-off days that preceded America's involvement in the Second World War, advocates of intervention often employed the argument that it would be intolerable to live in a Hitler-dominated world. . . . We would have to live in the atmosphere of an armed camp, support a heavy burden of armaments, be on the alert for surprise attack. We could expect new acts of political and military aggression wherever there were signs of weakness. We would be the object of an unremitting propaganda offensive. Our national morale would be corrupted by subversive foreign agents. We could not trade freely in a world of which a large part would be regimented in its financial and commercial arrangements. . . . But what was not foreseen, at least by the trumpeting crusaders for intervention, was that a post-war world in which the Axis Powers were broken, prostrate and shattered would be so painfully similar to the imagined 'Axis-dominated world.'"

Mr. Chamberlin then proceeds to illustrate the point by listing the tragic similarities as we see them today. In particular, he pays his respects to "subversive agents": "No one who has seriously studied the evidence in the case can reasonably doubt that Communism has proved a greater threat to our national morale and unity than Nazism or Fascism. There are a score of thinly disguised Communist front organizations in this country for every one the Nazis ever succeeded in establishing. At the height of Hitler's power no Nazi sympathizer had access to American lecture platforms or magazines. This could not be said as regards sympathizers with Communism. . . .

"Some of these bitter fruits of victory may be attributed to causes which are wholly or partly beyond our control. But we cannot escape the consequences of the inability of our wartime leaders to look beyond military victory and estimate with some realism and accuracy the changed conditions that would arise in Europe and Asia." It may be added that during the war Mr. Chamberlin, in the pages of HUMAN EVENTS and elsewhere, did look ahead and warn of the fruits of Roosevelt's policy.

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General Eisenhower's appointment as President of Columbia University has inspired one Washington wit to say: "I suppose they will rename it 'Columbia and Eisenhower.' After all, when General Robert E. Lee had served as President of Washington College in Virginia, the latter became 'Washington and Lee.'"

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The London New Statesman and Nation (May 24) presented the following surprising story in the opening of a book review: "It is rumored that whenever a new member of his Staff arrived in Algiers, Harold Macmillan, then political adviser to General Eisenhower, would give him a short but unforgettable 'briefing.'

"'This,' he would say, 'is an American Empire. In any room in this Headquarters you will find two officers, the senior American and the junior British. The senior officer will be sitting with his feet on the table, and a cigar in his mouth. His 'in-tray' will be empty. The junior officer will be hard at work. You must accept this relationship as both natural and desirable. Like the rest of us, you must do the work but never ask for the credit; you must draft the plans, keep the minutes and be tolerant of conferences in which nothing is definitely settled. Above all, you must never let your American superior feel that you regard yourself as better at the job. We are the Greeks of this Empire; and by accepting the fact without mortification, we can turn it to the interests of our country."

The story seemed much less surprising, and credible, when at the end of the review we read the author's name -- R.H.S. Crossman, the Americanophobe.

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